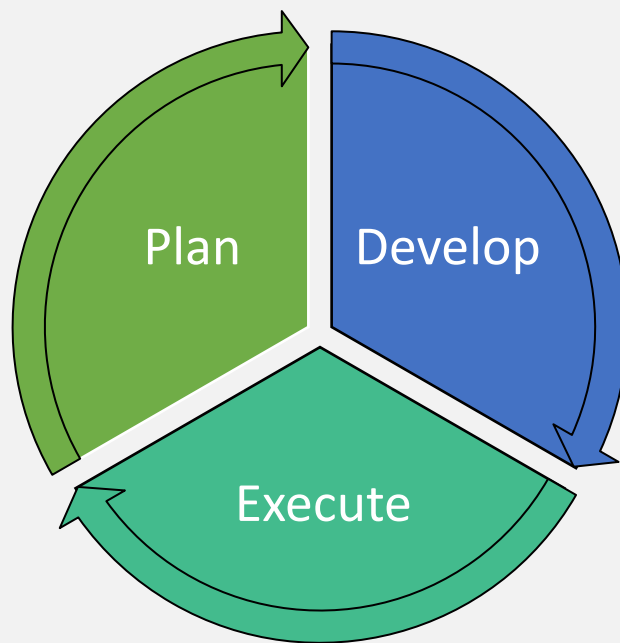


# **Acquisition Planning Handbook**



## **Training Command G-7**

**Version 1.0**

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## Table of Contents

INTRODUCTION .....	3
PURPOSE .....	3
OVERVIEW .....	3
ACQUISITION / CONTRACTING PROCESS .....	3
PHASE I: PLANNING PHASE .....	5
Step One: Form the Team .....	5
Step Two: Review Current Strategy .....	6
Other Sources to Consider .....	7
Service Requirements Review Board (SRRB).....	7
Information Technology Procurement Request/Review (ITPR).....	8
Step Three: Market Research .....	9
Four Steps to Market Research .....	10
Market Research - Sources of Information .....	10
PHASE II: DEVELOPMENT PHASE .....	10
Step Four: Requirements Definition .....	11
Risk Analysis .....	11
Performance Work Statement (PWS) .....	13
Quality Assurance Surveillance Plan (QASP) .....	14
Independent Government Cost Estimate (IGCE).....	15
Step Five: Acquisition Strategy .....	17
PHASE III: EXECUTION PHASE .....	18
Step Six: Executive Strategy .....	18
Step Seven: Performance Management .....	19
CONTRACTING OFFICER REPRESENTATIVE (COR) .....	20
COR Requirements .....	20
COR Responsibilities .....	20
COR Limitations .....	22
COR Training.....	22
Wide Area Workflow (WAWF) .....	23
What is WAWF.....	23
Invoicing/Payment .....	24
DEFINITIONS.....	25
REFERENCES & RESOURCES .....	29

APPENDICES .....	30
Appendix A: Service Requirements Review Board (SRRB) .....	30
Appendix B: Information Technology Procurement Request/Review (ITPR) .....	30
Appendix C: Market Research Sample / Template / Information.....	30
Appendix D: Performance Work Statement (PWS) Samples .....	31
Appendix E: QASP Sample .....	31
Appendix F: IGCE Sample (Labor / Travel) .....	31
Appendix G: Acquisition Strategy (AS) / MOPAS-S Templates .....	31
Appendix H: Contract Types .....	31
Appendix I: Contract Vehicles.....	33
Appendix J: DoD Standard for COR Certification & COR Roles .....	33
Appendix K: Sources Sought – Sample .....	33
Appendix L: FY19 Contract Execution & Purchase Request Guidance.....	33
Appendix M: RCO-NCR & MCICOM Contracts Overview (PPT Brief).....	33
Appendix N: Regional Contracting Office (RCO) Points of Contact .....	34
Appendix O: FAR References .....	34

## INTRODUCTION

The acquisition of supplies and services (aka - contracting process) plays a vital role in both maintaining and advancing the mission capability of Training Command (TRNGCMD). Acquisition of supplies and services cover a broad spectrum of requirements from research and development, advisory services, information technology support, to maintaining equipment and facilities.

For over a decade, the Department of Defense (DoD) has spent more on service requirements than it has on equipment acquisitions. While the acquisition of major systems follow a much defined process, *the acquisition of services tends to be more ad-hoc.*

## PURPOSE

With the understanding that everyone's knowledge and experience with the acquisition process vary considerably and every unit will encounter their own unique circumstances, the purpose of this handbook is to merely provide a basic overview on the acquisition of supplies and services and to be used as a reference guide. It is not designed as a cookbook to teach you how to do your job or as substitute for critical thinking. Hence, the handbook provides online resources and examples of various documents required throughout the acquisition process to better assist you.

Although a majority of the information within this handbook are derived from authoritative sources (e.g., [Federal Acquisition Regulation \(FAR\)](#), [Defense FAR Supplement \(DFARS\)](#), [Navy Marine Corps Acquisition Regulation Supplement \(NMCARS\)](#)), under no circumstances should the contents of this handbook replace the aforementioned sources or be used to cite as authority for management decisions or to sustain a technical position. Therefore; current law, regulation and policy will take precedence over any information contained in this handbook.

## OVERVIEW

The acquisition of supplies and services is often complex and sometimes cumbersome; therefore, applying a systematic approach to the process is not a one person show for it requires the dedicated effort of an Acquisition Team composed of functional experts; Contracting Officer (KO), Contract Specialists (CS), Contracting Officer Representatives (COR), and others working together to achieve the mission requirements.

It is also important to remember that the Federal Acquisition Regulation (FAR) states that the acquisition process is a shared "**team responsibility!**" Completing this process, like all acquisitions, takes allocated planning time. *Hence, getting your acquisition team organized and focused early in the process is a fundamental key to successfully achieving the mission results your customers require!*

## ACQUISITION / CONTRACTING PROCESS

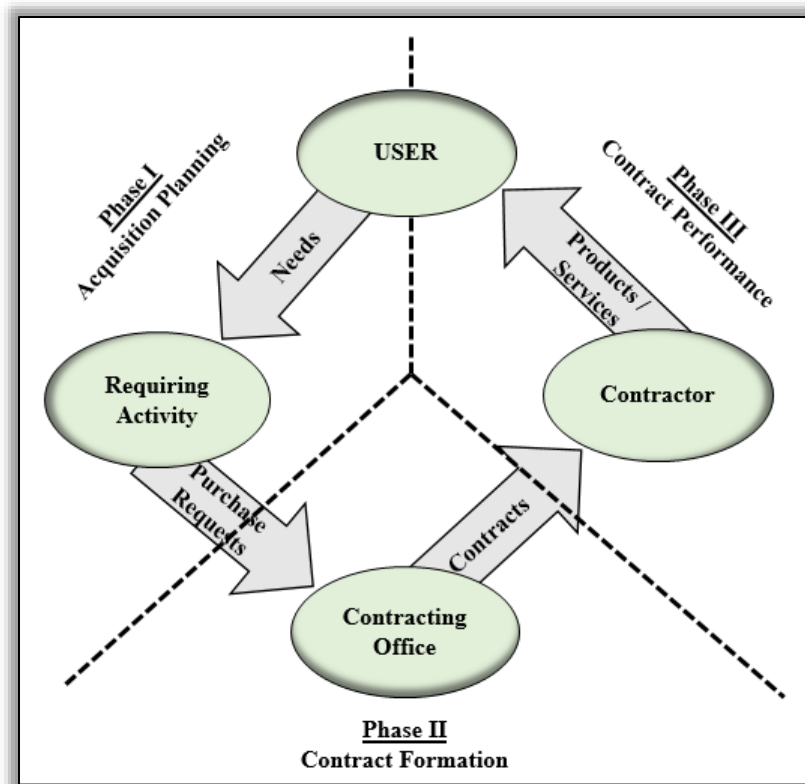
In order to gain a better understanding of the acquisition process, below outlines a broad overview and includes the major elements - (4) four steps that are accomplished within (3) three phases.

The four steps in the process reflect the most important outputs of the participants in the process.

- Step one: The using organization identifies its needs to the requiring activity.
- Step two: The requiring activity translates the user's needs into an actionable requirement or purchase request, which is submitted to the contracting office.
- Step three: Upon receiving the purchase request and requirements package (acquisition documentation), the contracting office solicits offers from industry and awards a contract.
- Step four: The contractor closes the loop by delivering products and services that satisfy the user's needs.

The three phases in the process represent major groupings of functions and tasks that overlap the four steps.

- Phase one – Acquisition Planning: The requiring activity develops an acquisition plan to achieve the best technical and business outcome.
- Phase two – Contract Formation: The contracting office issues a solicitation to industry requesting bids or proposals that lead a contract award.
- Phase three – Contract Performance: This phase covers contract performance, which concludes with delivery of the products and services.



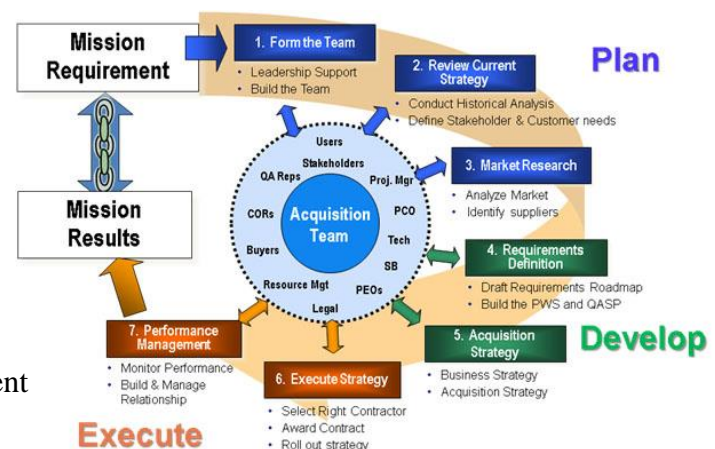
Based on the overview outlined above, the information within this handbook will further address the functions and tasks required within the acquisition process.

In order to conduct daily operations, the Government must buy equipment, supplies, services and construction from the private sector. Based on laws passed by Congress, the basic rules, policies, and procedures for Government procurement are set in the [Federal Acquisition Regulation \(FAR\)](#). The FAR governs Federal Government procurement and contains procurement policies and detailed procedural and administrative requirements. The FAR is supplemented by the Department of Defense (DoD) Supplement to the FAR known as the [DFARS](#).

***The acquisition process begins with a valid mission requirement.*** The process continues through a planning phase which develops the foundation for defining your requirement and business strategy, and ultimately end with the delivery and assessment of the supplies/services provided. The supplies/services could be provided by a new contract you plan to develop or an existing contract within the organization.

The acquisition “contracting process” contains a number of actions that require knowledge, experience, and prudence. Hence, to achieve the purpose of this handbook, the Defense Acquisition University (DAU) [Acquisition Process Roadmap](#) will be used as the basis to communicate the intended information and should not to be confused with the previous overview illustrated since they are all encompassing.

- [Phase-I. Planning Phase](#)
  - Step One: Form the Team
  - Step Two: Review Current Strategy
  - Step Three: Market Research
- [Phase-II. Development Phase](#)
  - Step Four: Requirements Definition
  - Step Five: Acquisition Strategy
- [Phase-III. Execution Phase](#)
  - Step Six: Execute Strategy
  - Step Seven: Performance Management



## PHASE I: PLANNING PHASE

During the planning phase, you form the Acquisition Team and get leadership support for all the actions that must happen to ensure the mission is supported. Baseline and analyze your current service strategies; identify problem areas and projected mission changes; and get your stakeholders to define their key performance outcomes for the requirement. Also analyze the market place to assess current technology and business practices, competition and small business opportunities, existing and potential new sources of providing the service, and determine if commercial buying practices can be adapted.

### Step One: Form the Team

The Program Manager (PM) or Action Officer (AO) is the lead for this effort and is responsible for seeking guidance from the Regional Contracting Office (RCO) “*early in the acquisition process*” and bringing together the appropriate cross functional individuals to form the acquisition team. The team members should understand the requirement, how the requirement relates to the mission, and be able to put an executable strategy together in support of the

mission. Although not all inclusive, the following individuals should be members of the team:

- Program Manager (PM)
- Action Officer (AO) / OIC or SNCOIC
- Contracting Officer (KO)
- Contract Specialist (CS)
- Contracting Officer's Representative (COR)
- Finance / Budget Officer
- Program / Procurement Analyst
- Subject Matter Experts (SMEs) / Customer

### Step Two: Review Current Strategy

If a contract currently exist, the acquisition team members are responsible for thoroughly assessing it and to obtain insight on lessons learned throughout its duration. An upfront assessment will lay the foundation for the follow on effort and help to identify if any requirements or capability gaps reside.

Regardless if this is a new or an existing acquisition, one should consider using the questions below to formulate a follow on strategy. To accomplish this assessment, the team will need to interview the stakeholders and key customers to capture their concerns, priorities, and projected requirements which will impact how the acquisition is developed.

A few questions to consider include but are not limited to:

- Have the needs of the current contract been met?
- Are the requirements under the current contract still valid?
- What risks have developed under the current contract?
- What risks are acceptable as status quo?
- Can improvements be achieved? If so, in what areas?
- What metrics will be tracked and reported?
- What are the deliverables required? (e.g., reports, classes, products; etc.)
- Are there any challenges with the current performance? If so, what are they?
- How will staying with the status quo affect the mission over time?
- How is performance captured, if not being captured via metrics?
- Are there any Government furnished property or information being provided?
- Is this a Service Contract over the Simplified Acquisition Threshold (SAT) of \$250,000?
  - If so, a Services Requirements Review Board (SRRB) *will be required with a few exceptions*. See SRRB below and [Appendix A](#) for additional information.
- Are there any Information Technology (IT) equipment required?
  - If so, an Information Technology Procurement Request/Review (ITPR) *may be required*; therefore, the acquisition team must identify this requirement early in the planning process due to the ITPR process/wait time. See ITPR below and [Appendix B](#) for additional information.

Based on the stakeholders' input, the acquisition team categorizes the input into performance results and evolve them into contract requirements and deliverables. The team should also address any gaps between the current contract performance and the new requirements then discuss the funding impact if desired results are significantly beyond current budget levels.

Open communication and customer feedback is vital to ensure the actions taken in subsequent steps are aligned with the customer outcomes and the mission needs have been captured accurately. Therefore, taking time to invest in the above actions early in the process will pay large dividends later on to prevent delays and undue stress in the contracting process!

### Other Sources to Consider

A number of Marine Corps units have been conducting the same business for years; therefore, a new unit requirement is not necessarily new - so don't try to reinvent the wheel! Oftentimes, services required by a unit (e.g., portable toilets, laundry, janitorial, grounds maintenance, snow removal, cell phones, range surveillance; etc.) has been provided somewhere on the installation; hence, there is probably an existing contract vehicle administered by the RCO or Base that you can place a Task Order on. Consequently, don't assume that every new requirement must involve creating a new contract from ground up because, it will save a lot of time and resources if you leverage upon an existing contract already in place. As such, it is imperative to engage with the RCO or Base G-4 as soon as possible to see what options exist.

### Service Requirements Review Board (SRRB)

The SRRB is a requirement validation process that each Headquarters Marine Corps (HQMC) Agency and Marine Corps Command is required to conduct for any contract services requirement that exceeds the Simplified Acquisition Threshold (SAT) of \$250,000. For purposes of determining when an SRRB is required, the value of the requirement is defined as the total price or total estimated cost of the contract or task order, including the value of the base period with all optional tasks and all optional periods. In addition, the SRRB shall review and revalidate services requirements prior to exercising contract options where the total value of the requirement exceeds the SAT.

**Example,** if a contract consists of a base year plus (4) four option periods, the total value of the contract prior to contract award is the value of the base year plus the value of all four option periods. If that total value is greater than the SAT (\$250,000), an SRRB is required. The following year, the total value of the contract for SRRB purposes would be the sum of the total value of all remaining option years (i.e., Option Years 1 - 4). The table below provides a visual example of when an SRRB is Required or Not Required.

Contract Period	Contract \$ Amount	Total \$ Value	SRRB
Base Year	\$75,000	<b>\$375,000</b>	<b>Required</b>
Option Year-1	\$75,000	<b>\$300,000</b>	<b>Required</b>
Option Year-2	\$75,000	<b>\$225,000</b>	<i>Not Required</i>
Option Year-3	\$75,000	<b>\$150,000</b>	<i>Not Required</i>
Option Year-4	\$75,000	<b>\$75,000</b>	<i>Not Required</i>
	\$375,000		



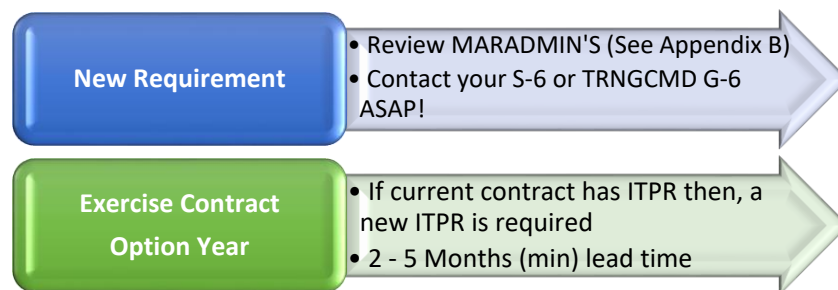
All service contracts over the simplified acquisition threshold (SAT) (including contract options) require SRRBs with **the following exceptions**:

- Prime Engineering, Manufacturing and Development (EMD) contracts for Acquisition Category (ACAT) programs
- Construction as defined in [FAR Subpart 2.101](#)
- Utilities Services (including heat, light, power, water, gas, electricity, sewage and other utility services)
- Commercial Subscription Services (database and information systems, periodicals, publications and educational course subscriptions)
- Off-the-shelf commercial software/licensing agreements and updates available as a commercial supply
- Foreign military sales funded services contracts
- National Defense Sealift Funds executed on a direct and reimbursable basis
- Leases of real property. See [SECNAVINST 11011.47C](#)

Additional information/guidance regarding an SRRB and SRRB exceptions, can be found in [Appendix A](#) and in [MARADMIN 377/18](#).

#### Information Technology Procurement Request/Review (ITPR)

If the acquisition team identifies a need for IT equipment, the Program Manager (PM) or Action Officer (AO) should contact their respective S-6 or the TRNGCMD G-6 office to seek guidance on the current process for procurement. Subsequently, if an existing contract has an ITPR in place and the PM/AO plans to exercise subsequent Option Years (OYs), a new ITPR will be required for each OY being exercised. The complete ITPR process can range from 2 - 5 months (or longer) therefore, it requires effective and thoughtful planning.



The acquisition team should identify the equipment type (hardware, software, peripheral, infrastructure, or service), network to which the equipment is to be connected, and equipment cost prior to contacting their S-6 or TRNGCMD G-6. The installation's G-6 may be utilized to provide guidance on new and/or existing IT equipment compatibility and authorization for use on the installation's network.

**Note:** A failure to adequately identify IT requirements early in the acquisition process and to obtain the appropriate authorization (ITPR) could significantly delay and/or derail the entire acquisition process.

Additional details regarding ITPRs and the Policy for IT Consumables, can be found in [Appendix B](#).

Training Command Standard Operating Procedure (SOP) (specifically, TRNGCMD G-6 Communications Procedures) also provides additional information on ITPRs.

(Note: website is CAC enabled):

<https://ehqmc.usmc.mil/org/trngcmd/ProcessGuides/Process%20Quick/06.Comm.aspx>

### Step Three: Market Research

The purpose of step three is to gather and analyze information on products and services within the marketplace that have the capabilities to satisfy the Government needs. Hence, "market research" is the process used to determine if industry can support the acquisition "needs" of the Government. It is a continuous process for gathering and analyzing information (e.g., technical capability, pricing and terms and conditions) about products and services that are available in the marketplace. It includes determining product characteristics, the capabilities of suppliers, and the business practices that surround them.

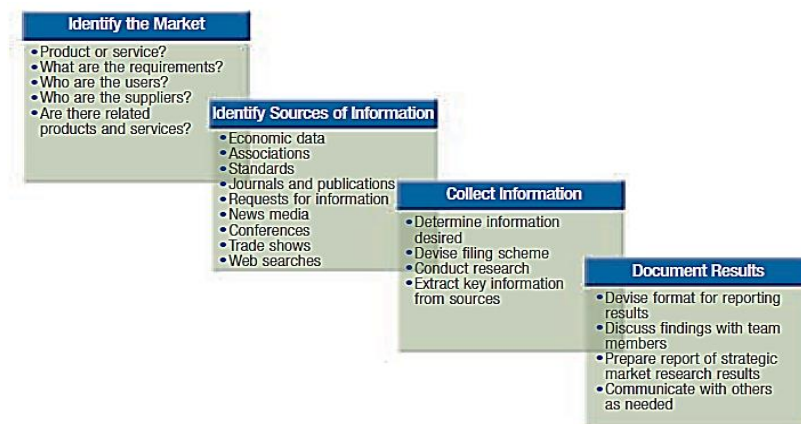
Market research begins when an acquisition requirement is identified and should leverage the expertise of all members of the acquisition team. Although, the Action Officer and Program Analyst are normally responsible for conducting the initial market research, all members of the acquisition team should be intimately involved. The extent of the research that is needed will vary depending on factors such as urgency of need, the estimated dollar value of the acquisition, its complexity, and whether recent and relevant research on similar requirements exists. Federal Acquisition Regulation ([FAR Part 10](#)), provides policies and procedures for conducting market research.

Benefits of market research include: understanding alternative solutions available in the marketplace, gaining insight into potential price expectations, defining price reasonableness, developing a better description of agency needs that “speaks” to industry, and understanding industry common practices and terms and conditions. Bottom line; Information from market research will help the acquisition team develop the best strategy for meeting the requirement and to determine if the commercial marketplace can satisfy the Governments requirements. If additional information is needed, the local contracting office may issue a Request for Informational (RFI) quotations, pre-solicitation notices, and advance notices on [FedBizOpps](#) or other contract vehicles/methods to solicit inquiries. These “Sources Sought” efforts should be accomplished early in the acquisition process - if required. See [FAR Part 15.201\(e\)](#) (Exchanges with Industry before receipt of proposals) for more information.

After the analysis of the market research data is complete, the findings and proposed strategy for acquiring the supplies/services needed are documented. The document describing the results of the market research is a market research report. The amount of detail in the report is dependent upon the complexity, criticality, and size of the acquisition. Although there is no mandated format for recording market research information, the acquisition team should follow its local Regional Contracting Office (RCO) / Contracting Officer (KO) instructions on how to complete the report. The amount of time spent researching and documenting ones effort can have a huge

payback in terms of innovation, cost savings, and timeliness.

## Four Steps to Market Research



## Market Research - Sources of Information

Sources of information include but are not limited to:

- Internet search engines (e.g., [Google](#))
- Publications such as; trade catalogs, magazines, consumer organization reports
- Company brochures, catalogs, and advertisements
- Outreach activities to the private sector
  - Chamber of Commerce
  - Small Business Offices
  - Industry Shows (Expos)/Trade Fairs
- Government Resources
  - Regional Contracting Offices
    - [MCINCR RCO \(Quantico, VA\)](#)
    - [MCI-East RCO \(Camp Lejeune, NC\)](#)
    - [MCI-West RCO \(Camp Pendleton, CA\)](#)
  - [General Services Administration](#)
  - [Interagency Contract Directory](#)
  - [Small Business Administration](#)
  - [System for Award Management](#)

[Appendix C](#) provides a sample as well as a template of a market research report and some additional resources to assist with market research.

## PHASE II: DEVELOPMENT PHASE

The development phase is considered to be the most challenging phase of them all which consist of steps four (Requirements Definition) and five (Acquisition Strategy). During this phase overarching objectives, tasks, standards, allowable variations, and method of inspections will need to be identified. An Independent Government Cost Estimate (IGCE) of contract price for

the required supplies/service will also need to be developed. Finally, an acquisition strategy that leverages contract type to deliver the best value mission performance to the customer will need to be developed. The basic performance principle is to clearly identify to the contractor what the performance results are, not how to do the job; thus, let industry develop the solution.

#### Step Four: Requirements Definition

**Requirements definition is the most important and most difficult part of acquisitions.** A good quality requirements document makes procuring and managing the supplies/service easier. With a properly developed requirements document, the team determines:

- What is most important about the procurement
- If an industry day or contractor one-on-one meeting is necessary
- How the Quality Assurance Surveillance Plan (QASP) will be developed
- Solidify the Contracting Officer's Representative (COR)
- What is the best contract type to utilize (Note: Firm Fixed Price (FFP) is most common)
- Are any waivers/authorizations required for the procurement
  - Service Contracts: Service Requirements Review Board (SSRB)
    - See [Appendix A](#) for additional information
  - Information Technology Procurement Request/Review (IPTR)
    - See [Appendix B](#) for additional information

During this phase, the team, with the PM or AO as the lead, may produce the following:

- A risk analysis
- Performance objectives and standards
- Methods and means of inspection
- The PWS or SOW
- Preliminary QASP
- The Independent Government Cost Estimate (IGCE)
- Stakeholder consensus

#### Risk Analysis

Risk is a measure of future uncertainties in achieving successful program performance goals; therefore, it is associated with all aspects of a requirement and must be assessed accordingly. It includes identifying events that are reasonably predicted that may threaten a mission and addresses the potential variation from the planned approach and its expected outcome. Risk analysis includes all risk events and their relationships to each other which often consist of two components:

- (1) Probability (or likelihood) of that risk occurring in the future; and,
- (2) The consequence (or impact) of that future occurrence.

Risk Management requires a top-level assessment of the impact on the requirement by all members of the acquisition team when all risk events are considered, including those at the lower levels.

The acquisition team focuses on the critical areas that may impact the requirement/program and impact the performance results. Risk events may be determined by examining each required performance element and process in terms of sources or areas of risk. These areas are generally grouped as cost, schedule, and performance, with the latter including technical risk. There could be significant consequences if early risk assessment isn't accomplished.

The following are some typical risk areas to consider when conducting a Risk Analysis:

- Business/Programmatic Risk
  - Scheduling issues that may impact success
  - Contractors performing inherently governmental functions or unauthorized personal services
  - Stakeholders engagement
- Technical Risk
  - Maturity and relevancy of technology
  - Personnel turnover
  - Procurement fraud
- Funding Risk
  - Are funds identified for which availability is reliant on pending events or approvals?
  - Have adequate funds been identified?
- Process Risk
  - Are new processes required to be implemented?
  - Will the best contractors have time to propose?
- Organizational Risk
  - Implementing change in an organization
  - Organizational conflicts of interest
- Risk Summary
  - Overview of the risk associated with implementing the initiative e.g., is there adequate service life remaining to justify this change?
- Additional Areas
  - Environmental impact
  - Security (i.e., government property, control and oversight of facility access, clearances, etc.)
  - Safety
  - Occupational Health
  - Waiver / authorization (i.e., Information Technology Procurement Review (ITPR) for a new start contract or in order to exercise an option year)

Identifying risk areas requires the acquisition team to consider relationships among all the risks and to identify potential areas of concern that would have otherwise been overlooked. This is a continuous process, which examines each identified risk (that may change as circumstances change), isolates the cause, determines the effects, and then determines the appropriate risk mitigation plan.

The acquisition team may also consider requesting a risk mitigation plan be submitted as part of the offeror's proposal that will be considered during the source selection board, prior to a contract award decision.

### Performance Work Statement (PWS)

The PWS is the foundation of services which describes the effort in terms of measurable performance standards (outputs). These standards should include such elements as "what, when, where, how many, and how well" the work is to be performed. The PWS should be developed with collaboration from all members of the acquisition team and in conjunction with open communication with the stakeholders (customers).

The PWS defines the contract performance requirements (i.e., the work to be accomplished). Defining the performance requirements includes identifying required outputs, key performance indicators or performance characteristics, and acceptance standards. There is no standard template or outline for a PWS although, the Regional Contracting Office (RCO), Contracting Officer (KO) and/or Contracting Specialist (CS) will normally offer a recommended format and detailed guidance on developing a PWS. The [DAU Service Acquisition Mall](#) also furnishes tools and templates to help create a PWS. Keeping that in mind, [FAR Subpart 37.602](#) requires that, to the maximum extent practicable, agencies perform the following:

- Describe work in terms of required results rather than specifying how the work will be done or noting the number of hours to be provided;
- Enable the assessment of work performance against measurable performance standards; and
- Rely on measurable performance standards and financial incentives in a competitive environment to encourage innovation and cost effective methods of performing the work.

When developing a PWS, the acquisition team may also consider the following best practices and lessons learned:

- The purpose of defining your requirement at high level objectives and tasks is to encourage innovative solutions for your requirement. Don't specify the requirement so tightly that you get the same solution from each offeror. If all offerors provide the same solution, there will be no creativity or innovation in the proposals.
- Remember that the way the PWS is written will either empower the private sector to craft innovative solutions, or stifle that ability.

After the acquisition team has completed a draft of the PWS, the team should conduct a joint review with the stakeholders to verify and validate the requirements. An objective and comprehensive review of the PWS from the stakeholders is imperative at this juncture to ensure it adequately addresses all of their needs/requirements. Simultaneously, the review process can be used as a forum for all parties to ask questions and/or highlight any foreseen issues.

The questions below can be used as a guide during the review process:

- Does the PWS avoid specifying the number of contractor employees required to perform the work (except when absolutely necessary)?

- Does the PWS describe the outcomes (or results) rather than how to do the work?
- What constraints are placed in the PWS that restrict the contractor's ability to perform? Are they essential? Do they support the vision?
- Does the PWS avoid specifying the educational or skill level of the contract workers (except when absolutely necessary)?
- Can the contractor implement new technology to improve performance or to lower cost?
- Are commercial / military performance standards used?
- Do the performance standards address quantity, quality, and/or timeliness?
- Are the performance standards objectives easy to measure and timely?
- Are there incentives to motivate the contractor to improve performance or to reduce costs?
- Are there disincentives to handle poor performance?
- Is the assessment of quality a quantitative or qualitative assessment?
- Would two different CORs come to the same conclusion about the contractor's performance based on the performance standards objectives?
- Are Acceptable Quality Levels (AQLs) clearly defined?
- Are the AQL levels realistic and achievable?
- Will the customer be satisfied if the AQL levels are exactly met? (Or will they only be satisfied at a higher quality level, or a lower level?)
- Are the individuals who will perform the evaluations identified?
- Is this a Service Contract over the Simplified Acquisition Threshold (SAT) of \$250,000 (including contract options)?
- Does the requirement need a waiver/authorization (i.e., Information Technology Procurement Review (ITPR) for a new start contract or in order to exercise an option year)?

[Appendix D](#) provides a few PWS samples.

### Quality Assurance Surveillance Plan (QASP)

[The QASP](#) defines what the government will do to ensure the contractor has performed in accordance with the PWS performance standards. This can range from a one-time inspection of a product or service to periodic in-process inspections of on-going product or service delivery. It is needed to ensure the government receives the quality of products/services called for under the contract and pays only for the acceptable level of products/services received. Since the QASP is intended to measure performance against standards in the PWS, these interdependent documents must be coordinated.

The QASP should be treated as a living document that contains a surveillance schedule and clearly state the surveillance method(s) to be used. The extent of surveillance is determined by the surveillance schedule established in the QASP. It should be systematic and sufficient to fairly evaluate the contractor's total performance throughout the performance period and to address any issues with contractor performance and related factors before serious performance issues arise. At a minimum, the QASP will address the following:

- What will be monitored
- How monitoring will take place
- Who will conduct the monitoring



- How monitoring efforts and results will be documented

It is important to note, the QASP does not detail how the contractor should accomplish the work. Instead, the QASP is created on the premise that the contractor is responsible for management and quality control actions to meet the terms of the contract. The Government is responsible for being objective, fair, and consistent in evaluating performance.

The COR should be involved with the QASP development from conception and should regularly review it and refer to it throughout the duration of the contract period of performance. If the COR concludes that the QASP requires or would benefit from revision, the COR should coordinate with the Contracting Officer on any suggested changes to the document. Only the Contracting Officer has the authority to make formal changes to the QASP. Updates might be called for to ensure that the QASP remains a valid, useful, and enforceable document. Both the contractor and the CORs who are implementing the surveillance activities must receive copies of the original QASP and any subsequent revisions.

The QASP is also used as a guide for determining if and when the Government needs to (1) intercede and possibly terminate a contract or (2) exercise contract options. Options should be exercised after assessing the incumbent's performance under the current contract and testing the market to ensure a fair and reasonable price for conduct of services. In FFP contracts, the purpose of surveillance is to identify any factors that might delay performance, particularly when it becomes necessary for the Government to accept performance shortfalls from contractually established standards.

The QASP also outlines the corrective procedures to be taken against the contractor for deficient performance - for example, issuing discrepancy reports that require corrective action responses, taking deductions from payments in FFP contracts (if such provisions were made), and submitting recommendations to the Contracting Officer about the nature and significance of any performance shortfalls. The QASP may be adjusted to address contract risks that were not originally anticipated or no longer threaten contract success. A Performance Requirements Summary (PRS) can be released to the contractor, but the QASP is an internal Government document.

[Appendix E](#) provides a sample QASP. Additional information can also be found at the DAU Service Acquisition Mall ([SAM](#)).

### Independent Government Cost Estimate (IGCE)

An IGCE is a detailed breakdown of the cost to the government for services or products purchased from contractors and should be completed prior to the solicitation's release. The estimate must be an unbiased government's own in-house estimate and not be based on data from contractors who may bid on the work. The IGCE is considered confidential information and should not be discussed or shared with any potential offerors.

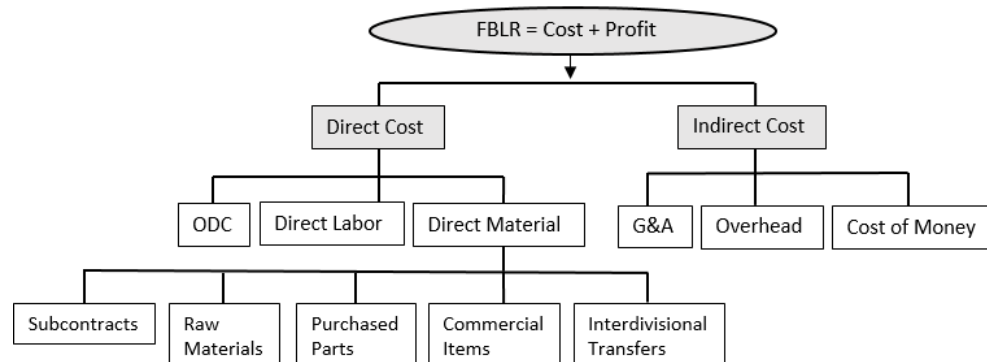


The purpose of an IGCE:

- It provides a guideline for how much the work will cost
- It establishes a baseline to track actual versus estimated costs
- It is used for price analysis comparison to bidder / offeror / quoters price
- It is used to evaluate the cost details of contractor proposals
- It provides a solid baseline for cost incentives
- It is used as the benchmark to determine contract budget amounts
- It is used to determine price reasonableness

IGCE Terms:

- Fully Burdened Labor Rate (FBLR) - (aka - Loaded Labor Rate): The fully burdened labor rate is the full hourly cost of a company to have an employee (inclusive of direct cost, indirect cost and profit). Labor burden costs include benefits that a company must or chooses to pay for employees included on their payroll.
- Direct Cost: A cost that is specifically identified with a particular final cost objective or contract and includes labor, materials and other direct costs.
  - Other Direct Cost (ODC): Cost directly applied to the contract that is not defined as material or labor costs (e.g. travel, supplies, copies; etc.).
- Indirect Cost: Any cost not directly identified with a single final cost objective but identified with two or more final cost objectives, also commonly referred to as overhead or burden.
  - General and Administrative (G&A): Includes general and executive office, executive compensation, cost of staff services such as; legal, accounting, financial, administrative, and similar expenses.
  - Overhead: Indirect costs related to support of specific operations, such as material overhead, site overhead and labor overhead.
- Profit: The amount realized by the contractor after the costs of performance (both direct and indirect) is deducted from the amount to be paid under the terms of the contract.



Below are a few resources / websites with additional information on Labor Categories and Labor Rates essential to completing an IGCE.

- Contract Awarded Labor Category (CALC) Search Tool: <https://calc.gsa.gov/>
- O\*NET OnLine: <https://www.onetonline.org/>
- US Department of Labor, Bureau of Labor Statistics: <https://www.bls.gov/mwe/>
- Various GSA Schedules (Labor Category and Hourly Rates):  
<https://www.gsa.gov/acquisition/purchasing-programs/gsa-schedules>

[Appendix F](#) provides a sample IGCE and additional information on FBLR's. Additional information can also be found in [FAR Part-31](#)

### Step Five: Acquisition Strategy

Step Five in the Service Acquisition process is developing an Acquisition Strategy. Your Acquisition Strategy determines the business arrangement that will exist between you and the contractor and the method you will use in selecting the contractor. You should consider which arrangement manages risk effectively and yet motivates and aligns the interests of both the Government and the Contractor to achieve the mission requirements and performance objectives.

BLUF: the Acquisition Strategy (AS) is the coordinated business decision between the Requirements Activity and Contracting Office on the best acquisition approach to the procurement.

The following are a few key outcomes of an Acquisition Strategy:

- Select the most appropriate type of contract
  - The Contracting Officer and Contracting Specialist will assist in this selection
  - Firm Fixed Price (FFP) Contracts are most common
    - FFP Contracts are most common because, it shifts the risk from the Government to the Contractor
- Outline the nature and extent of market research conducted
- Outline the cost/price estimate for the total planned acquisition
  - Provide IGCE Summary
- Determine how you will select a contractor (Source Selection Evaluation Criteria)
  - Determine what Evaluation Factors will be used to select a contractor
    - Most common Evaluation Factors used are:
      - Technical Capability and Staffing
      - Management Approach
      - Past Performance
      - Price
- Consider Small and Socio-Economic Business for the Acquisition
  - Provide the maximum practicable opportunities in DoD's acquisitions to Small Businesses (SB's) and SB Socio-Economic Categories, encouraging opportunities to increase competition and program awareness
    - Small Business
    - Small Disadvantaged Business (SDB)

- 8(a) Program – Socially and Economically Disadvantaged
- Historically Underutilized Business Zone Small Business (HUBZone)
- Veteran-owned Small Business (VOSB)
- Service-disabled Veteran-Owned Small Business (SDVOSB)
- Women-owned Small Business (WOSB)
- Economically Disadvantaged Women-owned Small Business (EDWOSB)
- Begin developing appropriate planning documents (Acquisition Plan and Source Selection Plan)
  - Recommend engaging with your local Contracting Office, Contracting Officer or the Contract Specialist for assistance.
    - Request a template or sample of the documents required as a start / baseline

[Appendix G](#) provides a sample Acquisition Strategy (AS) / MOPAS-S Template.

[Appendix H](#) provides a list and brief overview of Contract Types.

[Appendix I](#) provides basic information regarding Contract Vehicles.

### PHASE III: EXECUTION PHASE

The Execution Phase is the final phase where all planning and developments efforts come together and are put into action. A solicitation document is created that formally communicates to industry the requirements and strategy. You will receive contractor proposals for how they will meet your performance results and standards and then evaluate them against criteria selected that will best determine the success of a potential contractor's approach. After contract award, the business relationship you have with the contractor should foster innovation and improvements to mission performance outcomes.

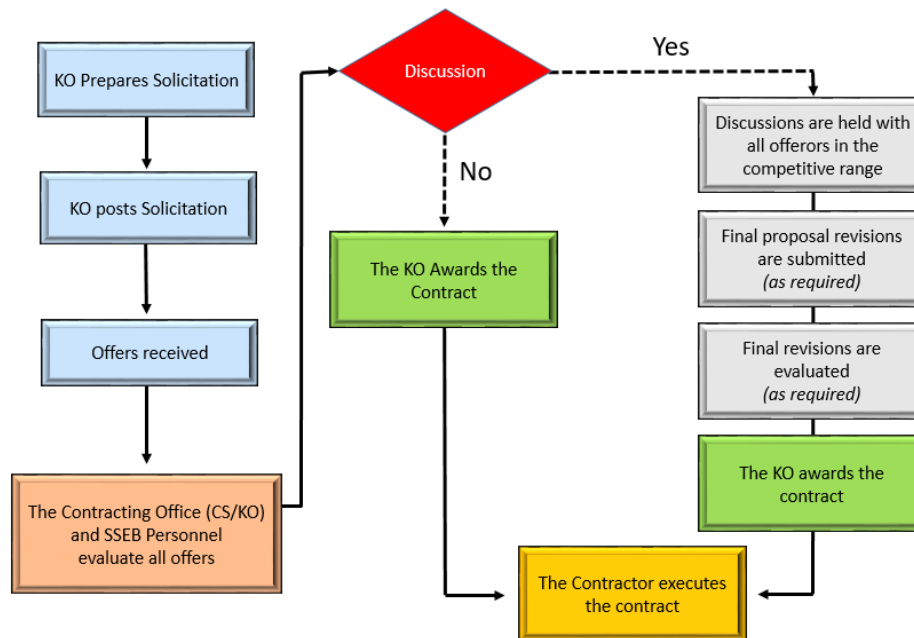
#### Step Six: Executive Strategy

Step Six of the Service Acquisition process, puts all planning and development into action resulting in a contract award. It provides an opportunity to seek industry feedback to refine the requirement and ensure a healthy competition and best value for the stakeholder. To avoid protests, make sure evaluations are conducted in strict accordance with the evaluation factors contained in the solicitation.

The following are key outcomes of Executing the Strategy along with an overview of the Request for Proposal/Quote (RFP/RFQ) process:

- Source Selection Evaluation Board (SSEB) - Conduct proposal/quote evaluations
- Comply with agency approval and notification requirements for award
- Award new contract based on best value to the government
- Debrief unsuccessful offerors
- Finalize the Quality Assurance Surveillance Plan (QASP) based on awarded contract
- Conduct a Post Award Conference (PAC)
- Contractor executes the contract

### Request For Proposal/Quote (RFP/RFQ) Process



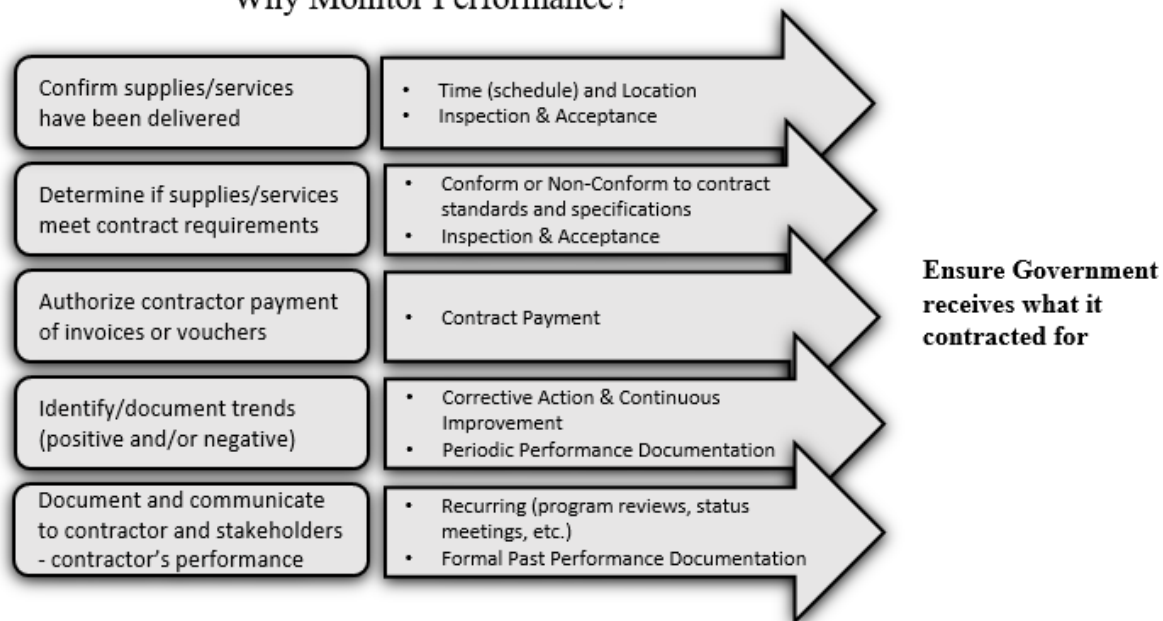
### Step Seven: Performance Management

Step Seven of the Acquisition process is to manage the performance during the life of the contract. This is the goal of the preceding six steps because, it starts the delivery of supplies and/or services the stakeholders/customers rely on to execute their mission. Performance must be continuously reviewed and adjusted as requirements or funding change. This requires a knowledgeable and trained Contracting Officers Representatives (COR) using the Quality Assurance Surveillance Plan (QASP), to make sure the performance results meet performance standards of the contract. It must be remembered that the contractor, not the government, is responsible for quality control and meeting the contract standards.

The following are a few key outcomes of Performance Management:

- Use the Quality Assurance Surveillance Plan (QASP) to ensure that performance objectives are being met
- Track performance trends and results
- Determine if stakeholder needs are being met
- Communicate performance results to stakeholders and customers
- Start planning for a replacement contract – as required

## Why Monitor Performance?



## CONTRACTING OFFICER REPRESENTATIVE (COR)

In accordance with the Defense Federal Acquisition Regulation ([DFAR](#)) [Clause 252.201-7000](#); “Contracting Officer’s Representative” means an individual designated in accordance with subsection [201.602-2](#) of the DFAR and authorized in writing by the Contracting Officer to perform specific technical and administrative functions.

Consequently, COR’s serve a critical and vital role in assuring contractors meet the performance requirements of the contract in terms of quality, quantity, schedule and cost/price. COR’s are equally critical in assuring government requirements under the terms and conditions of the contract are met (e.g., contractor gets paid on time, receives government provided information or property in a timely manner).

### COR Requirements

- Must be a Government employee (Military or Civilian)
- Must be qualified by training and experience commensurate with the responsibilities to be delegated
- Must be designated in writing by the Contracting Officer
  - The COR nomination and acceptance will be completed through the DoD [Contracting Officer Representative Tracking \(CORT\) Tool](#).
  - Click on web-link for additional information/guidance: Web-link - ([CORT](#)).

### COR Responsibilities

COR responsibilities will vary widely depending on the size, scope and complexity of the contract; however, in general the responsibilities will include but not be limited to:

## **Pre-Award Responsibilities**

- Assist in preparing the procurement package to include but not limited to the Performance Work Statement (PWS) and Independent Government Cost Estimate (IGCE)
- Assist drafting the Quality Assurance Surveillance Plan (QASP)
- Verify availability of Funding
- Assist with the preparation and submission of the [Purchase Request](#) (PR)
  - See [Appendix L](#) for additional information - (FY 2019 Contract Execution and Purchase Request Guidance)
- Assist with the evaluation of proposals from vendors/contractors

## **Post-Award Responsibilities**

- Monitor and document contractor's performance in accordance with the requirements, terms and conditions of the contract and agreed schedule
- Inspect supplies and services to determine acceptability – Reject those that do not meet the contract requirements and standards
- Report results to the Contracting Officer (Monthly Report)
- Validate contractor's reimbursable purchases are actually received before being billed to the Government
- Assure Government Furnished Property / Information (GFP / GFI) is being properly maintained and accounted for by the contractor
- Validate contractor personnel have required licenses, certifications, and security clearances as required by the contract
- Verify timeliness and accuracy of contractor reports and data required to be delivered to the Government
- Assure contractor is paid for acceptable performance and not paid for unacceptable performance (supplies or services)
- Track all contract costs and travel expenditures
- Try to resolve issues that may arise. Ensure any dispute between the COR and contractor is referred to the KO
- Understand the requirements of the contract - know the Government's responsibility as well as the contractor's
- Maintain direct communications and act as liaison between the using unit and the contractor
- Maintain required communication and documentation to support monitoring contractor performance via [Contracting Officer Representative Tracking \(CORT\) Tool](#)
  - Click on web-link for additional information/guidance: Web-link - ([CORT](#)).
  - Note: CORT is a module within the [Wide Area Workflow \(WAWF\)](#) e-Business Suite. Additional information on WAWF is provided in the next section of this handbook
- Document contractor performance on an annual basis, including annual assessment in the [Contractor Performance Assessment Reporting System \(CPARS\)](#)
  - Click on web-link for additional information/guidance: Web-link - ([CPARS](#))

## COR Limitations

COR's **do not** have the authority to:

- Make any agreement with the contractor that obligates funding
- Make commitments that affect the price, quality, quantity, delivery, or any other term or condition of the contract
- Encourage the contractor to perform any work beyond or outside the scope of the contract
- Interfere with contractor's management of their employees to include "supervising" or directing the work effort of the employees
- Order or accept goods or services not expressly required by the contract
- Discuss any information that might give one contractor an advantage in future procurements  
– Ref: the [Procurement Integrity Act](#)

## COR Training

COR Training requirements are broken down into (3) Types of standards (Type A, B & C) depending on the duties and responsibilities to be performed. The Contracting Officer will identify the type of standard required based on the contract dollar value and complexity of the requirement/contract.

DoD Standard for Certification of CORs		
Type of Work and Responsibility		Minimum Training Requirements
TYPE-A	<ul style="list-style-type: none"><li>• Fixed-price contracts without incentives and low performance risk</li><li>• COR responsibilities are generally limited to minimal technical and administrative contract surveillance</li></ul>	<ul style="list-style-type: none"><li>• DAU course: COR 222 - Contracting Officer's Representative Course</li><li>• DAU course: CLC 106 - Contracting Officer's Representative with a Mission Focus</li><li>• DAU course: COR 206 - Contracting Officer's Representative in a Contingency Environment</li><li>• DoD Component provided ethics training (e.g., DAU Course: CLM 003 – Overview of Acquisition Ethics)</li><li>• Combating Trafficking in Persons (CTIP) training (<i>CAC Enabled</i> - <a href="https://learning.nel.navy.mil/">https://learning.nel.navy.mil/</a>)</li></ul>
TYPE-B	<ul style="list-style-type: none"><li>• Fixed-price contracts with incentives; fixed-price contracts with other than low performance risk; and other than fixed-price contracts. This includes everything other than Types A and C</li><li>• COR responsibilities are of increased complexity</li></ul>	
TYPE-C	<ul style="list-style-type: none"><li>• Unique contract requirements that necessitate the COR have a higher education or specialized training beyond the Type B requirements</li><li>• COR responsibilities are of increased complexity</li></ul>	

		<ul style="list-style-type: none"> <li>• WAWF training (online) – <a href="https://wawf.eb.mil/">https://wawf.eb.mil/</a></li> <li>• Fill out <a href="#">OGE Form 450</a> (<i>Discuss requirement with Contracting Officer</i>)</li> <li>• Additional training mandated by the contracting activity or agency (e.g., security, etc.)</li> </ul> <div style="border: 1px dashed black; padding: 10px; margin-top: 10px;"> <p style="text-align: center;"><b><u>NOTE</u></b></p> <ul style="list-style-type: none"> <li>➤ Additional Training &amp; Refresher Training will be required for Type - B &amp; C. See <a href="#">DoDI 5000.72</a> (Enclosure 6, Table-2) for additional information.</li> <li>➤ All training certificates will need to be loaded into <a href="#">CORT</a></li> </ul> </div>
All DAU Training Requirements can be accessed via the <a href="#">Defense Acquisition University (DAU) Portal</a>		

[Appendix J](#): Department of Defense Instruction ([DoDI 5000.72](#)) Standard for COR Certification with Change-1 dated 31 August 2018; establishes policies, standards, and provides additional details on the role, responsibilities and training requirements for the COR.

### Wide Area Workflow (WAWF)

Ensuring the Contractor is paid in a timely manner upon receipt of supplies or services to the Government is yet another important duty of the COR. Consequently, the COR will need to establish an account in [Wide Area Workflow](#) along with “Acceptor” permissions.

### What is WAWF

Wide Area Workflow (aka – Invoicing, Receipt, Acceptance and Property Transfer (iRAPT)) is a secure Web-based system for electronic invoicing, receipt and acceptance and is part of the WAWF e-Business Suite.

WAWF creates a virtual folder to combine the three documents required to pay a Contractor - the Contract, the Invoice, and the Receiving Report. The WAWF application enables electronic form submission of Invoices, government inspection, and acceptance documents in order to support DoD's goal of moving to a paperless acquisition process.



It provides the technology for government contractors and authorized DoD personnel to generate, capture, and process receipt and payment-related documentation, via interactive Web-based applications. Authorized DoD users are notified of pending actions by e-mail and are presented with a collection of documents required to process the contracting or financial action.

It uses Public Key Infrastructure (PKI) to electronically bind the digital signature to provide non-refutable proof that the user (electronically) signed the document with the contents. More importantly, WAWF helps to mitigate interest penalty payments due to lost or misplaced documents and highlights Contractor offered discounts so that the DoD benefits on both fronts, in addition to streamlining the whole process from weeks to days or minutes.

### **Invoicing/Payment**

Invoicing and Payment terms and conditions will be outlined in the contract; thus, the Government should only pay for supplies and services which conform to the contract provisions. For that reason, it is imperative that the requiring activities and the COR thoroughly understand the contract financial/payment terms and conditions.

Additional information regarding WAWF and access to Training Command G-7 Fund Execution Guidebook on how to review and accept invoices can be accessed via the web-links below.

- WAWF Main Website (*CAC Enabled*): <https://wawf.eb.mil/>
- WAWF New User information: <https://wawf.eb.mil/xhtml/unauth/help/help.xhtml>
- WAWF Web Based Training (WBT): <https://wawftraining.eb.mil/wbt/>
- WAWF Training Link: <https://www.dfas.mil/contractorsvendors/irapt/TrainingLinks.html>
- Training Command Fund Execution Guidebook: <https://www.trngcmd.marines.mil/Primary-Staff/G-7-Financial-Management/>

### **Appendix K – O provides additional information to include:**

- [Appendix K](#) - Sources Sought – Sample
- [Appendix L](#) - FY19 Contract Execution & [Purchase Request](#) Guidance
- [Appendix M](#) - RCO-NCR & MCICOM Contracts Overview (PPT Brief)
- [Appendix N](#) - Regional Contracting Office (RCO) Points of Contact
- [Appendix O](#) - FAR References

## DEFINITIONS

In accordance with [FAR Part-2](#) (Definitions of Words and Terms), below you will find a list of frequently used terms and definitions.

- **Acceptable Quality Level (AQL):** Acceptable quality limit of the performance standard before the government will reject the services/supplies.
- **Acquisition Strategy:** The acquisition strategy is a comprehensive plan that identifies and describes the acquisition approach that Program Management will follow to manage program risks and meet program objectives. The plan should contain sufficient detail to allow senior leadership to assess whether the strategy makes good business sense, effectively implements laws and policies, and reflects management's priorities, including affordability. The strategy could evolve over time and should always reflect the current status and desired mission outcome.
- **Anti-Deficiency Act ([31 U.S.C. 1341](#)):** The Anti-Deficiency Act prohibits federal agencies from obligations or expending federal funds in advance or in excess of an appropriation, and from accepting voluntary services.
- **Competitive Range:** This is a natural grouping of proposals which have the highest likelihood of being selected for a contract award.
- **Contract:** A contract creates legal rights and duties stemming from a bargain or promises between people. Therefore, a contract is a mutually binding legal relationship obligating the seller to furnish supplies or services and the buyer to pay for them. The legal concept of contracts helps to assure people that their reasonable expectations from the promises and bargains they enter into with others will be met.
- **Contract Modification(s):**
  - **Unilateral:** A contract modification signed only by the KO. They are used to make administrative changes, issue change orders, make changes authorized by clauses other than the "changes" clause, issue termination notices and exercise options.
  - **Bilateral:** A contract modification signed by both the contractor and the KO. They are used to make negotiated equitable adjustments resulting from the issuance of a change order and reflect other agreements of the parties modifying the terms and conditions of contracts.
- **Contract Vehicle:** A contract vehicle is a streamlined method the government uses to buy goods and services. Contract vehicles are centrally managed by a federal agency, which reduces acquisition administrative costs and creates time and resource efficiencies.
- **Contractor Man-Year Equivalent (CME):** Direct labor hours worked by a contractor over the period of one year. Typically represents 1,920 hours annually (2,080 hours – 160 hours (80 hours for ten federal holidays and 80 hours for sick/vacation time)).
- **Contractor Performance Assessment Reporting System (CPARS):** [CPARS](#) is a web-enabled application that collects and manages the library of automated Contractor Performance Assessment Reports (CPARs). A CPAR assesses a contractor's performance and provides a record, both positive and negative, on a given contractor during a specific period of time (usually conducted annually).

- **Contracting Officer (KO):** Service Member or Department of Defense civilian with the legal authority to enter into, administer, modify, and/or terminate contracts. Bottom line; the KO is the only agent of the Government who is authorized to obligate the Government.
- **Contracting Officer's Representative (COR):** Any Government employee, military or civilian, selected and designated by a contracting officer to perform specific technical and administrative functions within the scope and limitations of their written appointment (e.g., surveillance of Contractor's performance, accept service; etc.). The COR is not empowered to make any contractual commitments or authorize any changes to the order/contract or in any way obligate additional funds by the Government; such authority rests solely with the KO. The appointment of the COR is made in accordance with subsection [201.602-2](#) of the Defense Federal Acquisition Regulation Supplement (DFARS).
- **Defense Federal Acquisition Regulation Supplement (DFARS):** The [DFARS](#) implements and supplements the FAR. The DFARS contains requirements of law, DoD-wide policies, delegations of FAR authorities, deviations from FAR requirements, and policies/procedures that have a significant effect on the public.
- **Direct Cost:** Any cost that is specifically identified with a particular final cost objective or contract. This includes labor, materials and other direct costs (ODC).
- **Federal Acquisition Regulation (FAR):** The [FAR](#) governs Federal or Government procurement and contains procurement policies and detailed procedural and administrative requirements. Although the original purpose of the FAR was to consolidate the numerous individual agency regulations into one comprehensive set of standards which would apply government-wide, the issuance of supplemental regulations is closely governed by the FAR. Nearly every major cabinet-level department (and many agencies below them) has issued such regulations, which often place further restriction or requirements on contractors and contracting officers (e.g., DFARS).
- **Firm Fixed Price (FFP):** A FFP contract remains fixed throughout the contract life unless a change is made. The Government's obligation is to pay the agreed-upon price, regardless of whether the contractor's costs increase or decrease during performance. The contractor assumes all of the cost risk under a FFP contract.
- **Fringe Benefits:** Expenses, both statutory and optional, that are associated with employee welfare. Many companies' group fringes as either statutory or company paid. The statutory would include those contributions mandated by the government – FICA, FUTA, SUTA, SUI and/or Workers Compensation. The company paid, or optional, fringes would be the rest of the employee benefits – paid time off, health insurance premiums, 401(k) contributions, tuition reimbursements, etc.
- **General & Administrative (G&A):** Sometimes called “corporate” costs. These expenses are almost fixed in nature, in that they are quasi-independent of the number or size of contracts the company may have underway. G&A includes things like the accounting department, bank fees, shareholder relations, maybe a corporate HR department, the office of the president, legal costs, etc.
- **Indefinite Delivery, Indefinite Quantity (IDIQ) Contracts:** IDIQ Contracts are used when the Government can't determine above a specified minimum, the precise quantities of products or services that the government will require during the contract period. Both for businesses and government agencies, IDIQ's help streamline the contract process and speed service delivery. IDIQ's standardize the ordering process for the business, and provided flexibility for the government.

- **Independent Government Cost Estimate (IGCE):** An IGCE is a detailed assessment of the cost to the Government for the contracted services and is required for all acquisitions. The estimate must be the Government's own in-house estimate and not be based on data from contractors who may bid on the work. This information is used for budgeting purposes and for evaluation of contractor's proposals.
- **Indirect Cost:** Any cost not directly identified with a single final cost objective but identified with two or more final cost objectives. Also commonly referred to as "Overhead or Burden."
- **Information Technology Procurement Review (ITPR):** ITPR refers to both the process for reviewing IT investments and the actual requests that route through the system.
- **Job Analysis:** Act of looking at a job as it is being performed in-house or by a contractor to determine what actually results. Job analysis looks at the organization, workload, performance values, and resources.
- **Justification and Approval (J&A):** Document that justifies and obtains approval for contract solicitations that use other than full and open competition.
- **Labor Cost:** The cost of labor directly applied to producing the requirement.
- **Material Cost:** Any material cost that can be identified specifically with a final cost objective or contract.
- **Market Research:** Market research is the process by which information is collected, organized, and analyzed to determine the availability and capabilities within the market to satisfy the Government's needs ([FAR Part 10](#)) requires agencies, both the requiring activity when defining their requirement, and the contracting activity, to perform market research).
- **Navy Marine Corps Acquisition Regulation Supplement (NMCARS):** [NMCARS](#) implements and supplements the Defense Acquisition Regulation Supplement, and contains mandatory policies and procedures including delegations of authority and assignment of responsibilities. The NMCARS also addresses administrative matters including procedures for processing documents for higher level approval, internal reporting requirements, and discretionary practices.
- **Non-Personal Services Contract:** NPSC means a contract under which the personnel rendering the services are not subject to the supervision and control the Government exercises over its employees. Simply stated, non-personal contract employees do not take direction from any Government personnel, regardless of rank. Even the COR has no authority over a contractor's employees. Maintenance and housekeeping are good examples of non-personal services contracts.
- **Other Direct Cost (ODC):** Cost directly applied to the contract that is not defined as a material or labor costs (e.g., travel cost, taxes, binders, paper copies; etc.).
- **Overhead:** Costs that are generally associated with the fairly direct support of two or more contracts. Overhead costs typically include facility rent, insurance, equipment depreciation, utilities, computers, communications, supervisory time, travel, etc. Some say that overhead costs are variable with the level of contract activity – they can be scaled up and down relatively quickly to meet project demand.
- **Past Performance Information Retrieval System (PPIRS):** [PPIRS](#) is a database which collects past performance information (PPI). PPI is one of the tools used to communicate contractor strengths and weaknesses to source selection officials and contracting officers.

The contractor performance evaluation contained in the PPIRS is a method of recording contractor performance and should not be the sole method for reporting it to the contractor.

- **Performance Requirements Summary (PRS):** The PRS document is often laid out within the PWS and, in tabular form. It establishes what the contractor must accomplish under the contract in specific detail. The PRS includes the standards and acceptable quality level for those tasks, provides metrics to measure contractor success in meeting the performance objective, communicate what constitutes success and provides the weight of subtasks.
- **Performance Standards:** Defined as quantity, quality, and timeliness, which outlines what is considered acceptable performance.
- **Performance Work Statement (PWS):** Document that describes the essential technical, functional and performance characteristics of the work to be performed. It specifies the scope of the work to be performed under the contract. [FAR Subpart 11.1](#) - Selecting and Developing Requirements Documents and [FAR Subpart 37.602](#) - Performance Work Statement, provides additional information.
- **Profit:** The amount realized by the contractor after the costs of performance (both direct and indirect) is deducted from the amount to be paid under the terms of the contract.
- **Purchase Request (PR):** Document submitted to start the solicitation and, ultimately, the contract. It provides information to assist in preparing the solicitation for bids, specific requirements, funding and certification on the availability of funds and required approvals.
- **Quality Assurance (QA):** Actions taken by the government to check goods or services to determine if they meet PWS requirements.
- **Quality Assurance Surveillance Plan (QASP):** A quality assurance surveillance plan describes how government personnel will evaluate and assess contractor performance. It is intended to be a living document that should be revised as circumstances warrant. It is based on the premise that the contractor, not the government, is primarily responsible for ensuring that quality meets the terms of the contract. Bottom line; the QASP describes how the contractor's performance will be assessed against the standards.
- **Quality Control Plan (QCP):** The quality control plan is a plan developed by the contractor for its internal use to ensure that it performs and delivers high-quality service. Often, the quality control plan is part of the contractor's original proposal, and in many cases it is incorporated into the contract.
- **Ratification:** Ratification occurs when an authorized official approves and unauthorized commitment. [FAR 1.601-3](#) explains that although procedures are provided for ratifications, they must be used with great discretion.
- **Request for Proposal (RFP):** In the negotiation method of contracting, an RFP is the solicitation used to communicate the government's requirements to prospective contractor(s) and to solicit proposal(s).
- **Solicitation:** The term "solicitation" refers to a written document which the Contracting Officer (KO) sends to potential offerors to compete for a contract award. Request for Proposal (RFP), Request for Quote (RFQ), and Invitation for Bid (IFB) are all types of solicitations.
- **Source Selection Plan (SSP):** The Source Selection Plan (SSP) is the written guide for the source selection process. The SSP describes how proposals will be solicited from industry; how proposals will be evaluated, rated, and summarized after receipt; how proposals will be

negotiated; and how the successful offeror will be selected for award. The SSP should also reflect who will evaluate proposals, composition of the SSEB, functional areas to be represented, protecting source selection records and data, and a timetable for contract execution. In substance, the SSP is the Government's description of how it intends to purchase its requirements. It emphasizes what is important and gives the relative importance of those criteria.

- **Task Order:** Task Order means an order for services placed against an established contract or with Government Sources.
- **Tradeoffs:** Tradeoffs between cost/price and non-cost factors permit the Government to accept other than the low price proposal. The perceived benefits of the higher priced proposal must merit the additional cost. The rationale for tradeoffs must be documented in the source selection decision.

## REFERENCES & RESOURCES

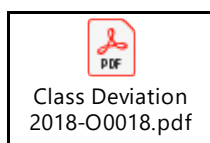
- Defense Acquisition University (DAU): <https://www.dau.mil/>
- DAU's Automated Requirements Roadmap Tool (ARRT): <http://sam.dau.mil/Content.aspx?currentContentID=arrt>
- Defense Contract Audit Agency (DCAA): <http://www.dcaa.mil/>
- Defense Contingency Contracting Handbook (April 2017): <https://www.acq.osd.mil/dpap/ccap/cc/jcchb/>
- DoD COR Handbook (Sept 2012): <http://www.acq.osd.mil/dpap/ccap/cc/corhb/>
- DoD Instruction 5000.74 w/Change-1, Defense Acquisition of Services (Oct 2017): <http://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/500074p.pdf?ver=2017-10-05-073243-807>
- Department of Defense (DoD) Supplement (DFARS): <http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>
- Department of Labor Consumer Price Index (CPI): <http://www.bls.gov/cpi/>
- Federal Acquisition Regulation (FAR): <https://www.acquisition.gov/?q=browsefar> or <http://farsite.hill.af.mil/>
- Federal Business Opportunities (FBO): [www.fbo.gov](http://www.fbo.gov)
- Federal Procurement Data System (FPDS): [www.FPDS.gov](http://www.FPDS.gov)
- General Services Administration Acquisition Manual (GSAM): <https://www.acquisition.gov/sites/default/files/current/gsam/zip/pdf/GSAM.pdf>
- Guidebook for the Acquisition of Services: [http://www.acq.osd.mil/dpap/ccap/cc/corhb/Files/Miscellaneous\\_Training/Guidebook\\_for\\_Acquisition\\_of\\_Services\\_24March2012.pdf](http://www.acq.osd.mil/dpap/ccap/cc/corhb/Files/Miscellaneous_Training/Guidebook_for_Acquisition_of_Services_24March2012.pdf)
- NAVAIR Contracts Advisor: <http://www.navair.navy.mil/nawctsd/Resources/Library/Acqguide/contracts-advisor.htm>
- Navy Marine Corps Acquisition Regulation Supplement (NMCARS): <http://www.secnv.navy.mil/rda/Pages/NMCARS.aspx>



- System for Award Management: <http://sam.gov/portal/SAM>
- Service Acquisition Mall (SAM): <http://sam.dau.mil>
- U.S. Army Aviation and Missile Research Development and Engineering Center (AMRDEC) SAFE: <https://safe.amrdec.army.mil/safe/>
- U.S. Government Accountability Office (GAO) – Bid Protests: <https://www.gao.gov/legal/bid-protests/file-a-bid-protest>

## APPENDICES

### Appendix A: Service Requirements Review Board (SRRB)



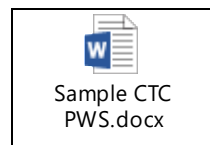
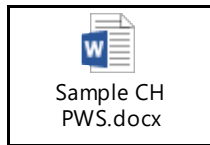
### Appendix B: Information Technology Procurement Request/Review (ITPR)



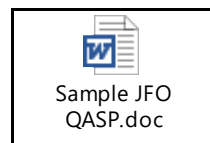
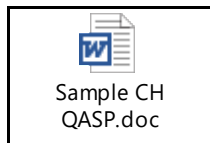
### Appendix C: Market Research Sample / Template / Information



## Appendix D: Performance Work Statement (PWS) Samples



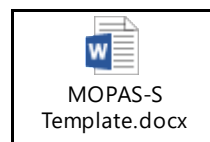
## Appendix E: QASP Sample



## Appendix F: IGCE Sample (Labor / Travel)



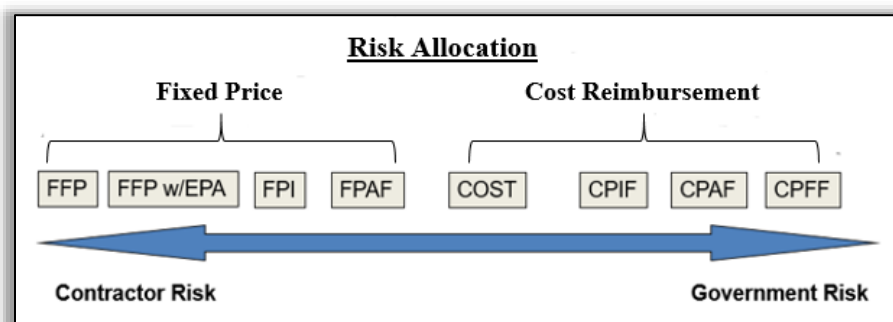
## Appendix G: Acquisition Strategy (AS) / MOPAS-S Templates



## Appendix H: Contract Types

While there are more than a dozen contract types as described in [FAR Part 16](#), they are broken down into two families (fixed price & cost). The table below highlights some of the most commonly used contract types and their applications whilst, the attachment provides a comparison of major contract types.

Note: a Firm Fixed Price (FFP) contract is generally the preferred choice because, it shifts the majority of the risk from the Government to the Contractor.





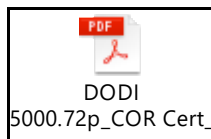
Contract Type	Description	Applications
<b>Firm Fixed Price (FFP) Contracts</b>	Provides supplies or services for a specific price not subject to any adjustment on the basis of the contractor's incurred costs. This contract type imposes minimum administrative burden.	Generally favored because the contractor assumes the risk of increase performance costs. Used for acquiring supplies and services with reasonably definite specifications, and reasonable prices can be established at the outset.
<b>Indefinite-Delivery, Indefinite-Quantity (IDIQ)</b>	Acquires supplies or services but does not specify a firm quantity that will be issued and delivered during the period of the contract (as delivery orders or task orders). The basic contract specifies the contract types authorized (e.g. Cost Reimbursement or Firm Fixed Price) and each task order will identify the specific contract type utilized.	Used when the Government cannot predetermine, above a specified minimum, the precise quantities of supplies or services the Government will require during the contract period and it is inadvisable for the Government to commit itself for more than a minimum quantity. Used when a recurring need is anticipated. There are three types of indefinite-delivery contracts: definite quantity, indefinite quantity, and requirements contracts.
<b>Time and Materials (T&amp;M) Contracts</b>	Acquires supplies or services on the basis of: <ul style="list-style-type: none"><li>• Direct labor hours at specified fixed hourly rates that include wages, overhead, general expenses, and profit</li><li>• Actual cost for materials including:<ul style="list-style-type: none"><li>○ Direct Materials</li><li>○ Subcontracts for supplies and incidental services for which there is not a labor category specified in the contract;</li><li>○ Other direct costs (travel, computer usage etc.)</li><li>○ Applicable indirect costs. Material handling costs shall include only costs clearly excluded from the labor-hour rate.</li></ul></li></ul>	Used only when it is not possible at the time of placing the contract to estimate the extent or duration of the work or to anticipate costs with any reasonable degree of confidence. Used only when the contracting officer determines that no other contract type is suitable. When acquiring commercial services, a time-and-materials or labor hours contract may be used only when the award of the contract or order is made using competitive procedures.

## Appendix I: Contract Vehicles

The government uses many types of contract vehicles. At a basic level, there are a single-award IDIQ contracts (award to one vendor) and multiple award IDIQ contracts (e.g., [Seaport-e](#)). Under a multiple-award contract, several qualified vendors receive an IDIQ contract and all the contract awardees compete for each task order – a practice known as fair opportunity. The government can issue orders faster under a single-award IDIQ than under a multiple-award; however, a single award loses the benefits of continuous competition and the ability to switch easily among contractors in cases of unsatisfactory performance.

Other contract vehicles include Blanket Purchase Agreements (BPAs) off an existing [General Services Administration](#) (GSA) schedule contract (e.g., Schedule 70), Government-wide Acquisition Contracts (GWACs) (e.g., GSA Alliant), and Agency-level multiple-award contracts (e.g., Encore II). The government has already awarded such contracts, and makes them available for immediate use. However, these contracts may have disadvantages such as limited selection of vendors with agile experience, limitations on contract types, and non-dedicated contracting support staff.

## Appendix J: DoD Standard for COR Certification & COR Roles



DODI  
5000.72p\_COR Cert\_



Top 10 Things Every  
COR Should Do - Pr



A COR's Guide to  
the COR Role.pdf

## Appendix K: Sources Sought – Sample



Sources Sought -  
Example

## Appendix L: FY19 Contract Execution & Purchase Request Guidance



MCICOM BUL 4200  
FY19 K Execution an

## Appendix M: RCO-NCR & MCICOM Contracts Overview (PPT Brief)

Because the two files are too large to transmit with this document, they can be accessed via the web links below:

- RCO-NCR USMC Contracts: [Contracts 101 - PPT](#)

- MCICOM Customer Training: [Customer Training - PPT](#)

## Appendix N: Regional Contracting Office (RCO) Points of Contact

- MCINCR RCO (Quantico, VA): [Points of Contact](#)
- MCI-EAST RCO (Camp Lejeune, NC): [Points of Contact](#)
- MCI-WEST RCO (Camp Pendleton, CA): [Points of Contact](#)

## Appendix O: FAR References

